

BEFORE THE
PUBLIC SERVICE COMMISSION OF WISCONSIN

Application of Wisconsin Power and Light Company and Wisconsin
Electric Power Company for a Certificate of Authority to Install a Selective
Catalytic Reduction System for Nitrogen Oxide Removal on Unit 5 at the
Edgewater Generating Station, Sheboygan County, Wisconsin

5-CE-137

**WISCONSIN ELECTRIC POWER COMPANY'S
REPLY IN SUPPORT OF ITS MOTION TO MODIFY THE TESTIMONY SCHEDULE
AND
SHORTEN TIME FOR RESPONSES**

Pursuant to Wis. Stat. §§ 227.44(3) and 227.46(1)(g), Wis. Admin. Code § PSC 2.23(1), Wisconsin Electric respectfully files this Reply in Support of its Motion to Modify the Testimony Schedule and Shorten Time for Responses.

Wisconsin Electric filed a Motion on Tuesday, October 13, 2009 requesting for a 60-day extension of the deadlines for testimony in this matter, and for a new hearing date consistent with that extension. The grounds for this motion are twofold: (1) the requested extension would allow Wisconsin Electric time to pursue various considerations, including recent settlement discussions with regard to our ownership interest in the Edgewater Generating Station; and (2) the requested extension will not prejudice the proceeding in light of the extended build schedule that the Applicants recently reported to the Public Service Commission.

In its response to Wisconsin Electric's motion to modify the testimony schedule, Wisconsin Power and Light offers no reasons why the motion should not be granted. In its response WPL states: "WPL notes generally the settlements between parties in any docket can occur at various times during a procedural schedule, and do not necessarily have to occur prior to filing of direct testimony."

This is true, but it is beside the point in this case. The fact is that in *this* proceeding, settlement discussions are underway *now*-- prior to filing direct testimony-- *and* those settlement discussions involve, among other things, Wisconsin Electric's ownership interest in the Edgewater Generating Station. The outcome of those discussions may obviate the need for some parties to file testimony at all; may necessitate testimony from parties as yet unknown; and/or may change the facts in such a way that prematurely filed testimony will be rendered obsolete. Certainly it makes sense in such a situation to extend the schedule so that the parties can gain a more clear idea of whether the parties will be able to offer a settlement proposal to the Commission.

In its response WPL identifies only two points on a critical path:

- (i) Tie-in of the emission control system should be accomplished in fall of 2012.
- (ii) A construction start date of September 2010 is contemplated.

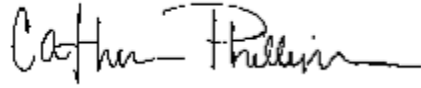
WPL does not explain how delaying, by 60 days, the filing of direct testimony will in any way jeopardize its ability to achieve those targets, even if we assume that they are fixed in concrete.

For these reasons and for the reasons set forth in its motion papers, Wisconsin Electric asks that its motion to modify the testimony schedule be granted.

Dated this 16th day of October, 2009.

Respectfully submitted,

WISCONSIN ELECTRIC POWER COMPANY

A handwritten signature in cursive script, appearing to read "Catherine Phillips", written in dark ink.

By: _____

Catherine Phillips
231 W. Michigan Street
Milwaukee, WI 53203
Phone: 414-221-3479
Fax: 414-221-2139
Email: catherine.phillips@we-energies.com